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# Business Negotiation as the Core of the International Business Communication

With Special Emphasis on Electronic Documents and Settlement in International Trade Transaction

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## **Introduction**

Since the late 1960s the world environment for trade transaction has been drastically changed due to the development of business internationalization by direct investment, activation of international business tie-up and so forth. In addition to the above, forms and content of trade practice has been changed by internetworking by deployment of computers in companies and development of borderless economy. As a matter of

course, the content of commercial English has to be improved in a wide range of view in order to use as the means of communication in the international business. It has become one of the study of international business communication. The approach from English study, business practice related import and export of merchandise and the international marketing are also considered.

Now we are in the 21<sup>st</sup> century, it is important for us to consider the external environment of trade exchange - background of development of the conventional study.

The 21<sup>st</sup> century is called as information driven society. In the information society which has a close connection between fluctuation in communication, the content of business communication might take a step forward by the new concept of the value of time resource. The Japanese companies have already started internationalization from the export of merchandise to it's development, and finally it made the localization policy through the stages of the establishment of overseas management system and the expansion of overseas companies.

The internationalization of business makes present companies plunge into the continuous serious change of external environment whether they like it or not. We have to accept changes of concept, language and style for the international business is a creature which thrives on change. It is the point for study.

A concept based on computer technology also gives a basic notion to present information society. Information communication technology is a technology to conquer the time and the distance during the transmission, accumulation and transaction of meaning.

A goal of the progress is to make perfect as much as possible. However,

the more process to conquer the time and the distance has progressed the more degree of merit and demerit of conquest has become distinguished and valuable. As the result, it made a big change of communication systems through the penetration of electronic business transaction, drastic change of trade practice and a quality of commercial English.

In this thesis, I narrow the international business communication down to business transaction settlement, starting with a progress of Letter of Credit (L/C) which has been playing a major role in trade settlement, trading documents which have been playing a role of security for Payment by Documentary Bill of Exchange, concept of paperless electronic forms which is the base of the change, and at the last part of the thesis I narrowed down to an electronic settlement which will be ever increasing demand in the future, and concluded as the future business transactions.

## **1. Process of Payment by Documentary Credit**

A specific function of Letter of Credit as an indispensable tool for trade settlement was originally designed to offer a high credit in order to strengthen the issuer. It is the same pattern as traveler's L/C of which the bearer and the beneficiary are the same person (1). Merchants issued L/C were mostly business tycoons of international figure. As they had started it as profession, it is said that Merchant Bank and Accepting House in London originally initiated the business in this way. Undertaking of bills had become a business resulting in the separation of requester of issuance and beneficiary. It had led to establishment of present Letter of Credit.

On the other hand, in the early 20<sup>th</sup> century the new type of L/C, which is the L/C beneficiary appointed by a buyer became a seller of the other party

of business, and a bank of which representing a requester became an addressee of a bill, had been developed. Specific rules for L/C were jointly established by the French and Belgian banks in 1927. It is the base of current Uniform Customs and Practice for Documentary Credits, and although the English and American banks had not participated, its matrix had made a birth of publication of the 1933 edition of Uniform Customs and Practice for Documentary Credits.

The 1951 edition Uniform Customs and Practice for Documentary Credits proposed by the United States after the World War II, banks covering 30 nations participated including Japan (2). The next edition was published in 1962 which the United States and the old Great Britain banks were actively participated [ICC Brochure No. 222], which was adopted by banks of 175 nations in March 1972. It made a significant step of success in instituting the L/C for facilitation and development of foreign trade and foreign exchange transactions in reality and in name. However, due to complicated and rapid changing of international conditions and business transactions in after two years, the revised edition was integrated in December 1974 and published in October 1975 (3).

The purposes of Uniform Customs and Practice for Documentary Credits are firstly to give the uniformity and accuracy in the ideas and words with the internationally standard language. Secondly, to remove the causes of conflicts or misunderstandings by making the definitions and terms as concise and clear as possible (4).

As the beginning of “Uniform Customs and Practice for Documentary Credits” indicates that “These provisions and definitions and the following articles apply to all documentary credits and are binding upon all parties thereto unless otherwise expressly agreed”, the high speed capacity is

elastic. By the facilitation of the L/C as a medium of sending and receiving of international payments, L/C transactions was put under the bank's credit accommodation. It made transaction safer and securer, and the institutionalization became necessary for it's facilitation.

Although it has institutionalized it doesn't have legal binding power because of the authors are banks. It regards as an only arbitrary standard rule. The adoption of the Uniform Customs and Practice for Documentary Credits is an option for each bank of each country (5). In the countries that adopted the 1974 revision, the bank which adopted it was a certain bank which dealt with a certain transaction. That is, even in the countries that have adopted the Uniform Customs and Practice for Documentary Credits have no binding power to the each bank. Even more, it has no binding power for D/P or D/A transactions. Therefore, we should point out first that the Uniform Customs and Practice for Documentary Credits is an only optional standard rule.

There are no stipulations of direct disadvantage for the possible use of electronic transaction of L/C accompanied by IT era in the 1993 Uniform Customs and Practice for Documentary Credit (ICC Brochure No. 500). More specifically. Electronic submission of L/C is a rational approach to advising bank. The identification of sender is only requirement to send L/C.

Business transaction by L/C as one of the typical settlement in conventional type at the international commodity trade, the following process is applied for the settlement: (a) Buyer requests his/her bank to issue L/C in favor of the seller. (b) Seller starts loading and prepares shipping documents (including Bill of Lading) in accordance with the conditions of L/C, and draws Bill of Exchange. (c) Payment is made as the bank in the exporting country buys the Bill of Exchange by using shipping documents as

collateral. (d) Buyer receives Bill of Lading with acceptance of the bill in order to make settlement. In the case of D/P or D/A transactions, the above process is done without L/C.

However, this type of payment procedure is now undergoing changes because of containerization of international cargo transport, speeding up of vessels, increase of air cargo, abundance of corporate funds (self-financing ability), liberalization of Japan's foreign exchange control, enhancement of international information and so forth. Followings are examples: 1. Payment by remittance as a payment method without Documentary Bill of Exchange, 2. Open Account, Offsetting of debit and credit by Netting (bilateral or multilateral), 3. Pretended Bills Bought, Post Payment Negotiation; export financing by draft negotiation is not required, and the seller receives the amount of the bill of exchange in Japanese yen converted at TT buying rate after the settlement of draft by buyer. 4. Silent Confirmation of L/C—the L/C advising bank assures the L/C beneficiary for buying the bill of exchange on without recourse base irrelevantly to L/C issuing bank. 5. Remittance Domestic Loan System — the shipping documents are sent from the seller directly to the buyer, and the bank executes domestic loan based on the invoice and a copy of B/L submitted by the buyer. Even when the shipping documents do not conform to the L/C conditions, it is the usual practice for the bank to negotiate the draft with an L/G submitted by the seller if the discrepancy is minor. There is the other type of Letters of Credit which allows the direct dispatch to the buyer of the full set or partial of the Bill of Lading — substantially same as Stand-by Credit (6).

## **2. Payment by Documentary Bill of Exchange and Electronic Documents**

Conventionally there are various type of payment being used in the foreign trade transactions. The interests of buyer and seller under particular circumstances is envisioned by which payment is used. During the process of seeking equalization of interest for seller and buyer, the documentary bill of exchange was produced.

When the documentary bill of exchange is viewed from the seller's standpoint, immediately after the completion of shipment, seller draws a bill of exchange with the shipping documents as collateral. The seller receives the export expenses by taking over the bill by the exchange bank. Therefore, the payment is made almost at the same time of shipment. This style of payment is very close to C.O.D. Needless to say it is not so advantageous as advance payment, however the seller can be relieved from the usual risks in the shipment such as deferred payment, installments and payment by bill of exchange.

When the documentary bill of exchange is viewed from buyer's standpoint, it is not so advantageous for the buyer in the case of deferred payment, but it is more advantageous to the buyer than advance payment or installments that the buyer has to pay all or partial cost at the time of contract or shipment. However, in the case of payment by Documentary Bill of Exchange, the buyer can make payment after the shipment. The buyer can make payment in exchange for the secured goods so called as shipping documents, Thus, the greatest anxiety for the importer is completely eliminated, that is, importer does not need to worry about the biggest

concern of importing goods by advance payment-whether the shipment is completed under the same condition of the contract or not. Thus, the equal sharing of risks appears to be realized by this method because the buyer can do business in the similar style to C.O.D.

Traditionally, the shipping documents are not sent in the same ship as the relevant goods are sent, but they are sent by airmail attached to the first and the second bill of exchange, each set is sent separately. Therefore, the documents usually arrive before the relevant goods arrive to the destination. Even a huge amount of rail cargo is carried under a single B/L. In the case of transport by truck, rail and air, accidents and losses have considerably decreased compared with those in the days of ocean transport (7). Today, container transportation has become the main transportation. It made the accident rate considerably decreased to the extent that of insurance contribution percentage has been drastically decreased. Therefore, the document styles has to be changed.

As stated above, change of various formats and documents are required in connection with change of international trade circumstance. In the background of deployment of electronic documents in trade transaction, there is networking by internet accompanying with the globalization of the world economy. Information exchanges by paper documents requires additional costs and still it is in efficient. In the conventional international trade, preparation of documents and it's control, and exchanging documents with many business partners and checking details of the documents, various documents have been involved in these transactions. So that the cost of preparation and controlling documents has been enormously increased with the increase of transactions.

Time differences also creates the problem which is called as 'B/L

Crisis'. It is the condition in which the cargo cannot be unloaded due to the absence of the shipping documents via the bank even the cargo has arrived because of the speeding up of container ships. Actually, shipping companies usually deliver the cargo without B/L if the seller submit L/G. However, the shipping company's risk becomes higher in this case.

Various problems have been occurred in the conventional international trade transactions based on paper documents. As a countermeasure for such problems, to computerize document information which is information network system used EDI has been adopted in the international trade. In Japan, Planet and S.C./S.F. Net which connect shipping companies with forwarders, shippers, and or cargo owners, and Zengin (All Banking) system which connects financial institutions, and the internationally SWIFT (The Society for Worldwide Interbank Financial Telecommunication), and Firm Banking and VAN which connect financial institutions with business companies have been developed (8).

However, these conventional information networks are limited in scope (intra-customs, intra-dock, inter-companies, inter-groups, inter-industry, and so forth). The most of those are closed networks which can't connect to outside. Therefore, they are lack of compatibility and inefficient in many ways. Besides mentioned above, targeted computerized documents are also limited. The Bill of Lading, one of the most important shipping documents has not been computerized including the function of subrogation yet (9).

Due to the main component of international trade transaction is financial transactions involving in transportation of goods, sales contract and payment. During the process of transaction they are supported by various organizations in various countries such as parties of transaction (buyers and sellers), banks, forwarders, customs brokers, tallymen,

warehouse operators, insurers, authorizing government offices, dock administrators and so forth. Therefore, when you computerize trade transaction, it is important to develop legally assured and safety environment based on the fact of exchanging electronic documents with various organizations in various countries of different laws.

The value of the electronic document depends on, at the first, how many companies are participating in the electronic documentation network, but as for the trade transaction, the actual number of participation of network is important (It is said that most of such transactions are done by a few major companies.), secondly it depends on how many and how big size of the transaction does the company use electronic transaction with the client customer.

The current movement of international trade documents is the most sophisticated system and practices established based on the past customs and practices. However, the problem is that the existence of such documents may hinder the dissemination of electronic documents. Complication of the dissemination of electronic documents caused by the sender and the receiver of the electronic documents are standing on the same platform and that the standardization of specifications of forms cannot be covered all occasions in corporate strategy.

### **3. Electronic Commerce and Electronic Settlement**

In recent years, IT-related techniques are rapidly adopted and used in various industries because of the development of the Internet and software of it's browsers. Not only B to C transactions (between company and individual) symbolized as experimental stage of cyber mall of major portal

such as Electronic Money, America On-Line and Yahoo, but also B to B transactions (between Company to Company) such as electronic broking, electronic exchange of stocks, commodity futures trading, financial futures trading, inter-company trading, and also deployment of CALS (used mostly for government organizations) are now digitalized regardless of business types, industries, nations and national economic activities (10).

● The development of the Internet means fundamental change of network communications. Companies which use the Internet or the next-generation network must prepare for the new environments. At the same time, the Internet will inevitably cover a variety of business activities because it is able to use various filing formats and support various types of communication activities. Actually, e-commerce handles not only the non-computer products or non-information products but also the computer products or information products. More significantly, the more business process and non-commercial activities computerized, the more new merchandise and new opportunities for middlemen are being created. E-commerce changes not only the business methods but also organization in company, among-companies (intercorporate) and commodity markets (11).

● There are too many proposals for e-commerce settlement, however, many companies are rather reluctant to accept online business because of there are no appropriate payment mechanism has been developed. Differences in technical specifications make it difficult to choose an appropriate payment method. Generally, the existing payment methods developed for comparatively large amount of money are not suitable for web base information transaction. It is required to develop individual small-amount payment method for small amount transaction. This is the same situation that cash payment is still favorably chosen on paralleled settlement.

Anonymity is just one of the character of cash transactions, however economic necessity of the payment system similar to cash payment has been ignored in e-commerce. Individual small-amount payment methods in e-commerce seem to be showing healthy growth for digital money, small-amount digital check or credit card. As for the regulations or money-wise influences, non-government digital money obviously has problems, but it also presents new opportunities. However, the future of digital money is determined by the market supply/demand relationship same as the case of computer products. As a result, it is expected to develop niche markets, and consumers will use proper methods considering convenience, cost, privacy, advantage of credit enhancement for payment.

However, when emphasizing the usefulness of digital money, it is necessary to consider whether web based information economy is effective to the future of Electronic Commerce and the Internet or not. When an appropriate payment system is established, a real information era will come in the Internet commerce industry (12).

In other words it will be necessary to consider electronic market as market in which all of the companies, products, processes are completely different from the traditional ones, and it is not the extension or the alternation of the traditional commercial transactions. Problems such as discrimination of products, searches, copyrights, privacy of consumers, individual small-amount payments and so forth, have been generated in non-computer markets. However, when the company and its products are virtual and the market process goes through networks using computers, various elements are intermingled. Therefore, it is absolutely necessary to consider the e-commerce era in the broader context as one market (13).

Let us now review the stream of e-commerce history. Computers have

already been used for 30 years, it is before the present EC boom had started. In the early 1960s computer's advantages of correctness and ability to keep records urged companies to use computers for administrative work of placing and receiving orders. The use of computers at this level, EOS system (placing and receiving order) coupled with communication system was further utilized by the appearance of VAN. The use of computers in this field is considered at the first stage of e-commerce (14).

At the POS (information control at sale spot) system was developed in 1965 in the United States, the computer which combines customer card control system in order to make more efficient in cash payment between customers and stores. The POS is a system which has a capability to input information of purchasing information such as, time, merchandise name, price and customer information at the same time of sale, and the information is inputted database in order to keeping track of the customer data. The system facilitates not only the function of ordering and accepting but also keeps track customer needs instantaneously. It made market information analyses power largely improved and prompted forecast for order. Further more the data are now utilized for development of new products (15).

In the latter half of the 1960s, computerization has started in financial institutions rapidly. First, it started within the same institution, which made it possible for the customers to deposit or withdraw their accounts at any branch of the same institution. Then the use of CD and automatic deduction of public utility charges became possible. In 1973, National Bank Data Communication System started to operate which enabled the foreign exchange transactions between city banks and local banks. In the latter half of 1970, the ATMs started to be installed in place of the CD which prompted each financial group to become online. After the latter half of 1980, the firm

banking that connects each financial institution with its client companies enable to start instant fund transfer. It is now rapidly developing with the personal computers permeating into families, WWW developing, and established payment system (16).

Here are the some examples in the United States. The electronic business system in the transport industry, standardization of e-business transactions among transport companies started to develop 30 years ago. It is the standard development by TDCC (Transportation Data Coordinating Council). At that time, industry globalization was developing, and at the same time frequent transshipments between various transport means had become common. It necessitated the need for the single Standard EDI in order to avoid vexatious complication of document preparation by individual transport companies. This standardization was completed in 1975. It helped simplify documentation procedures of the transportation industry. It was also used by other industries as a protomas of EDI. The major chain retailers like Wall Mart, K-Mart, Sears, Toysarus, and so forth individually established their own EDI systems (17).

Enormous amounts of accounts payable and obligation has been generating in business transactions every day and billing and paying for the transaction is also performing. Under recen circumstances where cash flow is deemed very important, deployment of EDI is very useful for creditor to collect the cash immediatly. Inter-company electronic payments (mainly Financial EDI) are now widely practiced.

Firm banking is a system in which banking function is used at office or home by using exclusive terminal. Home banking, that specializes in individual financing is now highlighted. With use of information network Netting offsets debts and credits resulting from import/export of raw

materials or products. It can minimize the amount of fund settlement. In recent years, there is a movement to adopt multi-netting which offsets the debts and credits not only between head office and its branches but also among multiple affiliated companies. These networks are integrated. As a result, payment without through banks are increased.

The other classifications of electronic transactions are as follows:

(1) Electronic Money: This is cash information transposed into digital information. Postpaid and prepaid types which leave the real value on the account were experimentally used (18).

(2) Electronic Funds Transfer: This is the core of the EB (Electric Banking). It directs financial institution to transfer funds through networks. E-mail, joint WWW or each bank's individual WWW are used.

(3) Electronic Check: Conventional account transfer system. It is used to collect the accounts receivable generated through networks (19).

The International Chamber of Commerce has published a guideline concerning the exchange of business transaction information with the digital signature called GUIDEC II for the establishment of the International Electronic Commerce.

When there is an agreement between seller and buyer that electronic communication be exchanged as an evidence of the delivery of transport documents, the necessary documents can be sent in the equivalent electronic messages. The Incoterms 2000 published in 1999 specified to the above effect, which gives consideration to electronic documents.

Considerations and trials centering on technical environment infrastructure are being progressed for secure and correct use of electronic documents both on private and governmental levels. For example, the EDI system Bolero.net, which was commercialized in 1999 as a global system

after European Commission's trial experiment, offers a legal framework for the participants, offers global, secured and safety transmission of trade-related documents based on common transmitting procedures, and at the same time offers a platform for providing cross-industrial and neutral services. Thanks to this system, computerization of such documents required for international trade transactions (Bill of Lading, Commercial Invoice, etc.) was realized. Thus considerable reduction of time and expenses required for trade financing procedures are expecting.

Experiment for computerizing international trade-related documents and procedures was performed in Japan also. It was called EDEN: Electronic Delivery Negotiable Documents. It was adopted upon public invitation by the Information Process Development Administration Association in 1972 as one of the Electronic Commerce Common Base Infrastructure Project of the MITI (at present, METI). In this project, experiments of electronic process of Bill of Lading, Commercial Invoice and Packing List and electronic process of trade financing-related transactions, from issuance, negotiation and disposition of Bill of Lading and delivery of cargo to collection of B/L were performed. The achievements of the EDEN Project were taken over by TEDI (Trade Electronic Data Interchange) Project (20).

## **Conclusion**

Complicated procedures of trade transaction is the one of issue of present trade business. Of course there are some merits in paper transaction, however when you consider about consumption of time, an electronic transaction is furthermore suitable in our present life. In paper transaction, when B/L encountered a critical condition due to a huge volume

of merchandise carried by a high speed vessel, there are no way to solve the situation because conventional paper transaction requires a certain period of times. Moreover, it is necessary to prepare duplicate copies, shipped by the separate packages, in order to prepare the loss, destruction by fire and forgery of important documents. This method requires more cost for storage, shipment, and transaction of documents. Although part of these system is computerized, the advantage of total networking cannot be taken by this conventional method. Not only does the physical distance, time difference and language barrier requires extra time for processing, there are risks of legal problems.

The merit of EDI in trade financing are: (1) Prevention of forgery and alteration of documents. (2) Expedition of document transportation - solution of emergency of B/L. (3) Cost efficiency. (4) Reduced of risk of problems during transportation. (5) Centralization of information management. (6) Improved efficiency of document processing and checking by the use of electronic documents.

The demerit of EDI in trade financing are problems related to security. Secure trade in many aspects, technical, legal, administrative, clerical and operational, are expected in trade financing. For example, prevention of forgery and alteration of documents, assured transportation of electronic documents, inexpensive but reliable storage of documents, are expected, but there are difficulties in realizing this type of security. Even more difficult is the automation of checking process in "Trade documentation checking".

However, even if these problems are resolved as time goes by, paper and electronic data will coexist at all times. This leads to concerns in operational efficiency, induced errors in processing, and increase in workload.

Below is the summary of the history of trade-related computerization

within the past 20-30 years. 1980's Computerization is attempted of mortgage bonds in transportation. Since it was impossible to turn all documentation into electronic data and checking for L/C requirement was difficult, it could not be put in practical use. 1990's There has been change in technical ground. Spread of the Internet in the society has been realized. There has been shift from mainframe computing to distributed processing by the use of personal computers, and internet based applications has been developed. Since connection between different systems has been enabled, Bolero International Limited has been established and went into operation. Nations engaged in merchandise trading do not need to have the system environment for EDI trade. By constituting a unified contract, the party will be provided the legal infrastructure, and by controlling document handling systematically, handling of B/L with stocks and bonds has become possible.

As far as EDI in circulating documentation our nation, internetworking by trading firms, banks and shipping companies has nearly come into completion by experimental practice of Electronic Delivery of Negotiable Document (21). These systems will become basis of future transaction systems.

As part of the changes going on in modern Japanese society, internationalization, urbanization, computerization are the trend, but within these changes, computerization is strongly related to the changes in communication and are overlapped. Internationalization from the standpoint of communication can be said the increase of communication with foreign nations. Not only the international relation at nation level, but also internationalization at personal level has been stimulating. English as an international language is a mixture of various English derived words. It is a shared language between people and

enables people from all nation to construct a global identity. On the other hand, English for international business communication requires nation specific business and historical background. If identities of different nations are constructed, a need for a common protocol is emerged.

What gives the ideological basis in computerization is , the concept that computerization if only established by the possibilities of technology. As mentioned in the “Introduction” section, information technology is a technology to conquer the time and travel distance for transmission, accumulation and transaction of a meaning, and the goal is to bring its possibilities to perfection. However, the more the distance and time barrier is conquered, the more it is distinguished, and become more valuable. The resource obtained in this process is “information.”

It is easy to imagine that business transaction and settlement procedure associated with business transaction will be changed drastically by computerization during the 21st century. Trade transaction, which was placed in a special area, will be part of large business transaction by computerization. When we think about national borders, it becomes a problem bringing separate legal regulations for each nation toward a shared concept, and suppose all nations are computerized, the main problem would be in transportation from the viewpoint of finance, information, and physical transportation. However, as far as computerization, since each nation has different economical standard, the amount of investment that can be spent in the infrastructure will depend. This will cause the nation with high technical standard to be separated from the others, thus as I have

mentioned before, there will still be need for coexistence of paper and electronic documents.

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**Foot Note**

- 1) Bill of Exchange, financial implementation of specific practice has been introduced to this format and developed as Commercial Letter of Credit. With established custom of documentary bill transaction and it's smooth operation, it has let to develop Documentary Letter of Credit by attaching shipping document.
- 2) Noboru Komine "Integrated Regulation of Bill of Credit" Vol 1, 1976 pp3-8
- 3) "Uniform Customs and Practice for Documentary Credits (1974 Revision)" by The International Chamber of Commerce
- 4) Sanyu Ohara "Basic Structure of Transaction of Letter of Credit" *Financial Legal Circumstance* No. 762 1977 p2
- 5) To conform Letter of Credits issued by each bank will be determined by referencing International Chamber of Commerce's "Subject to Uniform Customs and Practice for Documentary Credit (1974 Revision)".
- 6) Akira Yao "Electronic Transaction of Trade and Finance" published by Tokyo Economic Information Publication, 2001 p22
- 7) Shoko Okamoto "Some Problems on The Revised UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS" 1976 p46
- 8) POLINET: Shipping Company, Forwarder, EDI provides connection between measuring contractors
  - S.C.Net: EDI provides connection between enterprises and shipping companies
  - S.F.Net: EDI provides connection between enterprises and forwarders
  - All Banking System: EDI provides connection between banks in Japan
  - SWIFT: EDI provides connection between banks in overseas
  - Firm Banking: EDI provides connection between banks and enterprises
- 9) Akira Yao "Direction of EDI Trade Finance" Oct 1998, released at 58<sup>th</sup> Japan Business English Association

- 10) Junji Nara "International Transaction and Information Technology Revolution" Jun 2000, released at 40<sup>th</sup> Japan Academy For Foreign Trade
- 11) Andrew B. Whingston (other two) "The Economics of Electronic Commerce" *The Essential Economics of Doing Business in the Electronic Marketplace* by Macmillan Technical Press, 1997 "Economic Study of Electronic Commerce" translated by Chikara Kounouchi, published by Piason Education Co., Ltd. 2000 pp62-96
- 12) *ibid*, pp.450-519
- 13) Andrew, *op. cit.*, pp.520-563
- 14) Hideya Inoue "Introduction to Electronic Commerce" published by Nihon Keizai Newspaper Co. 1998, p26
- 15) "Economic New Word Dictionary" published by Nihon Keizai Newspaper Co. 1998 p534
- 16) Hideya Inoue, *op. cit.*, p29
- 17) Touru Maekawa "Maekawa Report" <http://neti.go.jp/press/olddate/industry/r9402algpdf>
- 18) Nihon Keizai Newspaper home page <http://nikkei.co.jp//> 3Aug 1998 Nihon Keizai Newspaper Co.
- 19) Hideya Inoue, *op. cit.*, p90
- 20) Akira Yao, *op. cit.*, p213 p255
- 21) Junji Nara "International transaction and Information Technology Revolution" Jun. 2000 released at 40<sup>th</sup> Japan Academy For Foreign Trade

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